

INTERVIEW

Iran at the Crossroads of The Eurasian Land-Bridge

May 27—With the recent historic visit to Tehran of Indian Prime Minister Narendra Modi and Afghan President Ashraf Ghani, for the first time in nearly 40 years, Iran has the opportunity to resume its historic role as a crossroads for trade and cultural collaboration between East and West, across the vast Eurasian landmass. *EIR*'s Copenhagen Bureau Chief Tom Gillesberg had the opportunity on March 15 to discuss Iran's potential role in this Eurasian vision with H.E. Mr. Morteza Moradian, the Ambassador of the Islamic Republic of Iran in Copenhagen, Denmark.¹ Ambassador Moradian emphasized the historic role of Iran and also the common vision of Eurasian development, which was a vital element in the talks during Chinese President Xi Jinping's visit to Iran in January 2016. "Both Iran and China have high ambitions regarding transportation issues," the Ambassador emphasized. "I think that there is extreme potential for economic development, arising from the idea raised by the Chinese President. Iran is situated at a very important juncture from a transportation point of view. This has nothing to do with the issues of today or yesterday, but it is an historical issue. Iran, and the region around it, is located along a very, very important corridor.

"If we look at the most important corridors in the world, there are three. We can see that the North-South corridor, and the East-West corridors, all pass through Iran. The important thing is that transportation corridors necessarily lead to the growth of economic development, and also, when economic development takes place, what follows is peace and stability. Our country, and all of the countries of Western Asia, are trying to



courtesy of Embassy of Iran, Copenhagen
H.E. Mr. Morteza Moradian, the Ambassador of the Islamic Republic of Iran in Copenhagen, Denmark.

find and develop these transportation routes. In this regard, the idea raised by China can have important consequences for the region. Just to sum it up, this idea of reviving the old Silk Road would have a very positive influence on development."

The Ambassador emphasized Iran's multi-modal transportation system: "Iran enjoys a very good position in regard to all forms of transportation—air, sea, and land. Iran has always followed up on the issue of reviving the old Silk Road, with China. We now see that the Chinese idea and the Iranian idea are now meeting at some point. I think that within the framework of two very important agreements, the Shanghai Cooperation

1. Video of the full interview, in English and Farsi, is available on the website of the Schiller Institute in Denmark, at <http://schillerinstitut.dk/si/?p=12299>

Organization (SCO), and also the Economic Cooperation Organization (ECO), we can have very, very good cooperation.”

Russia, China, and Iran

Iran has developed strong ties to both China and Russia, and the relations among the three can be a driver for economic integration and growth, the Ambassador emphasized. “I think the conditions are now conducive for good cooperation and development. During the years of the sanctions, we had extensive relations with China. There is now about \$50 billion of trade between Iran and China. This has fluctuated in some years, but it is between \$50 billion and \$52 billion. China is the biggest importer of Iranian oil. We also had extensive relations with Russia during the years of the sanctions. It’s natural, now that the sanctions have been removed, that the relationship between these three nations would develop further.

“The important point that I would like to make is that the three countries have common interests, and common threats facing them. We are neighbors with the Russians. We have common interests with Russia regarding the Caspian Sea, transportation, energy, the environment, and peace in the world. So we have quite a number of areas where our interests coincide. Other areas where we have common interests are drug trafficking and other forms of smuggling, and combating extremism and terrorism.

“We also have quite a number of common interests with China. They include energy, reviving the Silk Road, combating terrorism, the transportation corridors, and, also, in the framework of the SCO—quite a number of areas where we have common interests. China needs 9 million barrels of oil on a daily basis. As I said, our trade relations amount to about \$52 billion.

“Iran enjoys some very important advantages. First of all, it has enormous amounts of energy resources. Its coastline, along the Persian Gulf, runs 3,000 kilometers. We are neighbors with 15 countries in the region. I think that cooperation between these three powers, namely Russia, China, and Iran, can ultimately lead to stability and peace in the region. So the four areas—the combination of economics, trade, energy, and transit—these are areas that can lead to the goals that I mentioned.

“The revival of the old Silk Road, at this juncture of

time, would be very meaningful. During the recent visit to Iran by the Chinese President, the two sides agreed to increase the volume of trade between the two countries, in the next ten years, to \$600 billion.

“Also, in the recent visit to Iran by President Putin, there was agreement on Russian investment in Iran. It has to be said that our trade relations, economic relations, with Russia are not as great as they should be. But among the topics discussed when President Putin visited Iran, was making sure that the volume of economic cooperation increases between Iran and Russia.”

Ambassador Moradian noted that the arrival of the first freight train in Tehran from China, in February, further underscored the potential arising from Iran-China collaboration on the Silk Road program. “President Rouhani has very clear views on the Silk Road. In fact, President Rouhani is a specialist in transportation routes and communication. He believes that the basis for development lies in the development of transportation infrastructure. He and the Chinese President have talked over the revival of the Silk Road on a number of occasions.”

The Ambassador sharply criticized the efforts of Washington to bypass Iran in any Eurasian development plans: “There was a discussion . . . being propagated during the past few years—the idea of the new Silk Road, or the American Silk Road, so to speak. Basically, they wanted to bypass Iran, and divert the route. No one can fight against economic and geographical realities on the ground. The route through Iran is the shortest route, and the cost-effective route, and, therefore, nobody can go against that. And because the Chinese ideas were more realistic, Iran and China were able to come to some sort of understanding on the development and revival of the Silk Road.

“There is also emphasis on the development of sea routes. We witnessed good investment by the Chinese in this regard, in the recent years. China has invested heavily in Pakistan, in the Gwadar port.”

Transport Corridors to Defeat War

The Ambassador next turned to the immediate prospects of building the East-West and North-South transport corridors, linking Iran to Central Asia, and creating the opportunity to bring stability back to Afghanistan after more than 30 years of continual war.

“The railroad between Khaf in Iran, and Herat and

International Rail Corridors Passing Through Iran



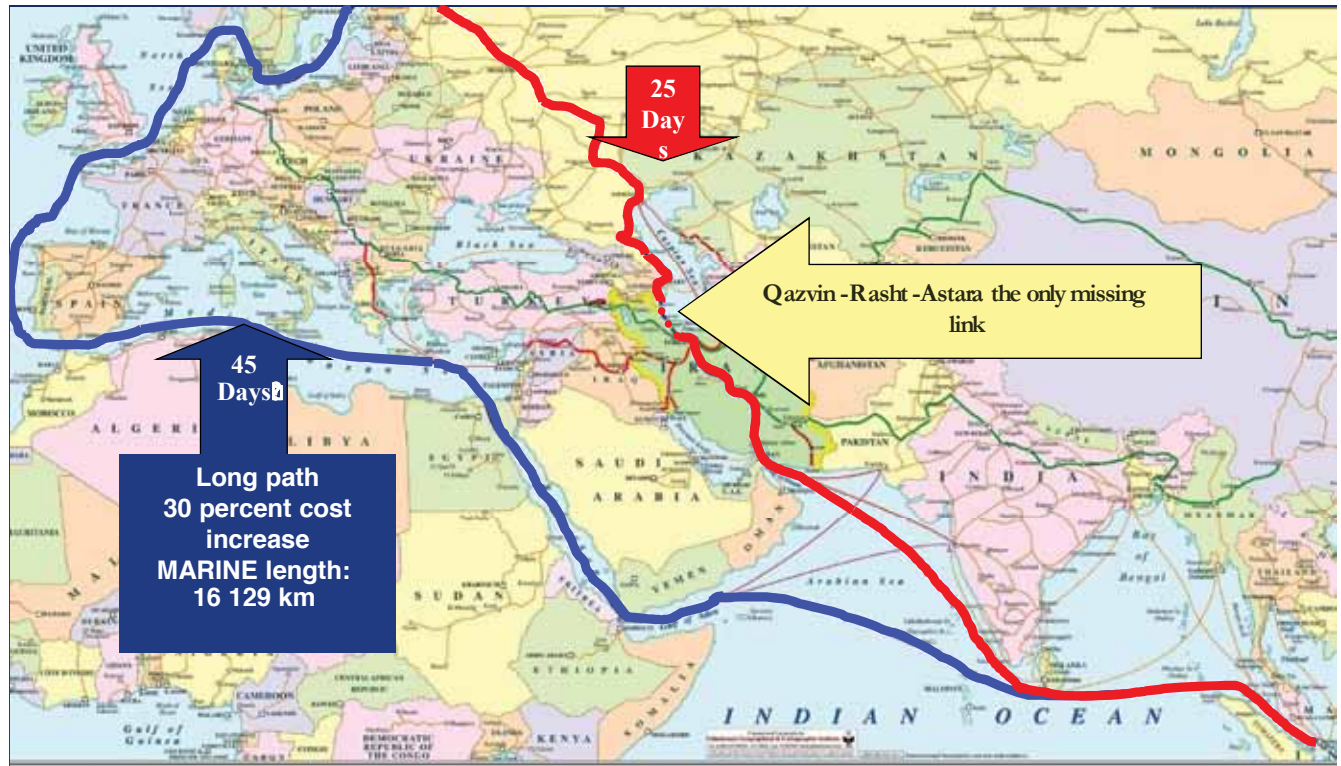
Mazar-i-Sharif in Afghanistan, is an important connection. The Khaf-Herat section has been completed, but the Herat-Mazar-i-Sharif section is still to be constructed. I think this is an important route that we believe, in my opinion, China would be advised to invest in.

“If this route between Herat and Mazar-i-Sharif were to be completed, then from there, there are two routes—one leading to Uzbekistan and the other leading to Tajikistan, and that can be an important connection. At the moment, China is making good investments in both Kyrgyzstan and Tajikistan, to establish the links. In fact, the link connecting China, Kyrgyzstan, Tajikistan, Afghanistan, and Iran is one of the most important links of the Silk Road. And there is a missing link between Herat and Mazar-i-Sharif, as I said, and I hope that the countries concerned, especially China, can help establish that link. Over the past

two years, the corridor between Kazakhstan, Turkmenistan, and Iran has borne fruit, and is now connected. In fact, the train that arrived in Teheran actually came through this route, and this corridor has extreme potential. I hear that quite a number of countries in the region are interested in joining this corridor. We have another corridor linking Uzbekistan, Turkmenistan, Iran, and Oman, which is called the fourth corridor. And this has also come into operation over the past year-and-a-half.

“We also have other corridors, which I call subsidiary corridors. All of these subsidiary corridors can actually enhance and complement the main East-West Silk Road. One very important corridor that you are aware of, is the North-South corridor, and a section along this corridor is now under construction—the connection between the city of Rasht, and Astara on the Caspian coast. In fact, we have reached agree-

North-South Corridor Passing Through Iran



ment with Azerbaijan on the connection between the two cities of Rasht in Iran, and Astara in Azerbaijan. This corridor also needs some investment, and we hope that countries like China can help us in developing this.”

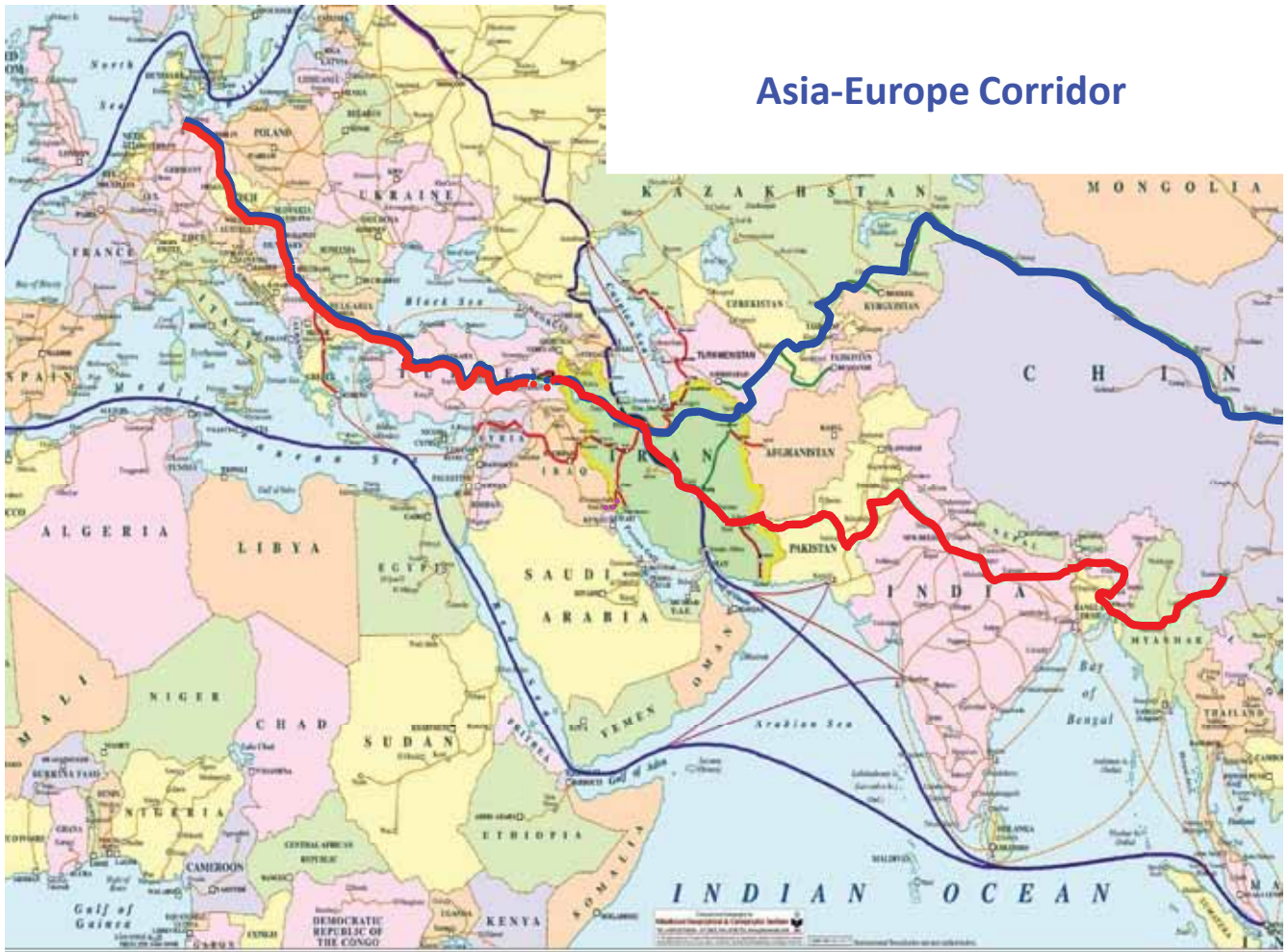
The Ambassador noted that “17 agreements were signed during the visit” of President Xi Jinping to Iran in January. “The areas included energy, financial investment, communication, science, the environment, and know-how. Specifically, on the core of the Silk Road, the two countries agreed to play a leading, and a key role, in the development and operation of this link. They agreed to have cooperation on infrastructure, both railroad and road. For example, electrification of the railroad link between Teheran and Mashhad, is part of this connection of the Silk Road that was agreed to. The other important thing is cooperation on the Port of Chabahar in Iran. The two sides agreed to cooperate in this, and the Chinese agreed to invest in Chabahar. Regarding industry and other production areas, they agreed that China would cooperate and invest in twenty areas. Regarding tourism and cultural cooperation, the two sides also agreed to develop cooperation in this regard,

within the framework of the Silk Road. I think you can see that within the framework of the Silk Road, there are quite important agreements between the two countries.”

Nuclear Energy Is Vital

Another vital area in which cooperation among Iran, Russia, and China is increasing, is energy, the Ambassador noted. He emphasized the role that Russia played in the completion of Iran’s nuclear power plant at Bushehr: “Because of the renegeing of the Western governments, the construction of the Bushehr nuclear power plant was left unfinished, and after the Russians agreed to pick up the pieces, we reached an agreement, and were able to develop, and make this very important plant operational. The cooperation between Iran and Russia on peaceful nuclear energy has been very constructive. All of Iran’s atomic activities have been under the supervision of the International Atomic Energy Agency (IAEA). As we have had no deviation from our peaceful nuclear program, after ten or twelve years, the Western countries, the P5+1, finally came to the conclusion that Iran’s nu-

Asia-Europe Corridor



clear program has always been peaceful. I believe that they knew this at the beginning, as well. This was just a political game. “We have also had a sort of constructive cooperation with China over the past two decades on peaceful nuclear energy. During the recent visit to Iran by the Chinese President, an agreement was also signed in this regard. In the implementation of the P5+1 agreement, China, Iran, and America are also the three countries forming the committee for the implementation of the agreement. It was agreed during the recent visit that China will reconfigure the Arak heavy water plant. The Chinese and the Iranians have also agreed to cooperate on the building of small-scale nuclear power plants. This, I think, is very important for Iran, in terms of producing electricity, and the Chinese welcome this.

“We have also signed a number of agreements with China on the construction of a number of nuclear power plants in the past. Iran, because of the large extent of the

country, has always welcomed cooperation in the development of peaceful nuclear energy for the production of electricity, and other things. In fact, based on the cooperation agreement between Iran and the P5+1, there will be agreements with a number of the members of the P5+1 regarding the nuclear issue.”

Expanding Rail Grid

The Ambassador turned next to Iran’s internal transport infrastructure needs and progress. “Iran has made endeavors, extensive efforts, to actually complete what I call the subsidiary corridors. Right now in Iran, we have 10,000 kilometers of operational railroad lines. For our present government, the further development of railroad links is very important. We have plans to build another 10,000 kilometers in the future. It is my view that in the next couple of years, we will see a revolution in transportation.

“There are some missing links, which we think

should be completed as soon as possible. We have the link to the Chabahar Port. If this port is developed to utilize its full capacity, then this will serve as an important link in the North-South corridor. In the Persian Gulf we also have an island called Qeshm, which has great potential. In fact, because Qeshm itself also has gas, and has a strategic location in the Persian Gulf, it can play an important role in the North-South corridor. We are seeing that various countries such as China, Japan, and South Korea are interested in entering into these areas.” The Ambassador added that progress is also significant on the East-West corridor, where some very important developments have taken place. “We have had good negotiations with the Turkish side. One of the most important links in the East-West corridor is the link between the cities of Sarakhs and Sero. Sero is located on the border with Turkey, and the Turks and the Iranians are now in very extensive negotiations to develop this route. The other route is the railway link between Iran and Iraq, and this is also being built on an extensive level. As I said, the subsidiary corridors—the one connecting Kazakhstan, Turkmenistan, and Iran; and the one connecting Uzbekistan, Turkmenistan, Iran, and Oman—are now operational, and we are also planning on developing and making other subsidiary routes operational.”

The Water Crisis

Turning next to one of the great challenges facing Iran, Ambassador Moradian acknowledged that “Iran is faced with a shortage of water.” Work is underway to tackle this crucial problem, he said. “We have quite a number of projects for water desalination on the Persian Gulf. In fact, one of the main reasons that we wanted nuclear power plants on the Persian Gulf was to use that energy to desalinate water. Currently, a number of Iranian companies are engaged in this. One of the very big projects has come on stream during the past couple of years. Regarding the desalination plants, there is good cooperation between Iran and foreign countries. I think that this is another area where Danish companies can enter into the competition. President Rouhani made a trip to the city of Yazd, in the center of Iran, and he said there, that transfer of water from the Persian Gulf to the center of Iran, to the city of Yazd, is one of the important projects that the government has in mind.

“Regarding nuclear fuel, the framework of the P5+1 agreement with Iran envisages extensive cooperation

between Iran and these countries on nuclear fuel. Iran is now one of the countries that have the legal right to enrich uranium, and this has been recognized. So, based on the capacities that Iran has, we can exchange nuclear fuel. Within this framework, we have exchanged quite a lot of fuel with the Russians, and we have cooperation plans with China on the heavy water plant in Arak.”

SCO and the War on Terrorism

No discussion about the Greater Middle East and Persian Gulf can ignore the threat posed by terrorism and the flow of illegal drugs across borders, to markets in Europe and beyond. Ambassador Moradian was blunt: “On the issues of combating extremism and terrorism, and trafficking of drugs, there are extensive grounds for cooperation. The development of extremism, and the instability that follows, is extensive in the CIS countries, and part of China. Iran has extensive experience and knowledge about combating terrorism, and in this regard, Iran can cooperate with those countries regarding this menace. Afghanistan is the world’s biggest producer of opium. In fact, unfortunately, after Afghanistan was occupied by the ISAF coalition, led by America, the level of production of opium in Afghanistan has increased greatly.

“In Helmand, in particular, there was an incredible increase in the amount of production. In fact, in combating drug smuggling into Iran, Iran has been a sturdy wall, and we have unfortunately lost quite a number of our security forces in that region, close to 4,000. In fact, Iran is on the frontline in combating drugs. When Europe talks about helping other countries stem the tide of immigrants to Europe, I think that stemming the tide of narcotic drugs coming to Europe, also requires the same sort of agreements. “There already exists very good cooperation between Iran, China, and Russia on combating drug trafficking. We have had multilateral sessions in this field. I think that within the framework of the Shanghai Cooperation Organization (SCO), Iran can play a leading role in combating drug trafficking, extremism, and terrorism. In the recent session of the SCO, it was agreed that after the sanctions were lifted against Iran, Iran’s status would be elevated from an observer to a full member. In the next session, which is planned to take place in Uzbekistan, I think that this issue will be raised.

“Iran’s full membership in the SCO is important. In fact, in the area of security, SCO needs Iran’s experience and influence.”